

**HOME INSPECTOR ADVISORY COMMITTEE
1400 EAST WASHINGTON AVENUE, MADISON, WI
MINUTES
AUGUST 5, 1998**

PRESENT: Secretary Marlene Cummings (until 11:00 a.m.), William Arnold, Jerome Baumgardt, Larry Engen, Gina Gruba, Mark Jankowski, Norbert Lovata (until 12:30 p.m.), Richard Staff, Mark Thomas

EXCUSED: Robert Epps

STAFF PRESENT: Cletus Hansen, Jacquelynn Rothstein, Michelle Krisher; Barbara Showers and Duane Dorn for a portion of the meeting.

GUESTS: Perry Manor, DHFS, Asbestos and Lead Certification
Patrick Thiel, President, Wisconsin Association of Home Inspectors

CALL TO ORDER

The meeting was called to order at 10:06 a.m. by Cletus J. Hansen, Administrator of the Division of Business Licensure and Regulation.

AGENDA

The agenda was approved by consensus.

MINUTES (07/07/98)

MOTION: Larry Engen moved, seconded by Mark Jankowski, to approve the minutes with the following amendments to the fourth and fifth paragraphs under the heading, "Standards of Practice," on Page 3. The single sentence of the fifth paragraph will be moved to the fourth paragraph and located after the third sentence of that paragraph. The next sentence of the fourth paragraph will begin a new paragraph and be amended as follows: "Richard Staff and Jacquelynn Rothstein, Committee Legal Counsel, addressed whether hazardous substance language should be something like in the real estate rules--if you have actual knowledge of it being present, you must report that fact." The sentence following this amendment will begin a new paragraph. Motion carried unanimously.

ADMINISTRATIVE REPORT

Secretary Cummings Report

Secretary Marlene Cummings thanked the Committee members for their continued participation.

Division Administrator's Report

Committee members received a copy of the revised Home Inspector Advisory Committee Roster and a copy of the revised minutes from the meeting of June 10, 1998.

Cletus Hansen noted the Department has been accumulating a list of names and addresses of home inspectors requesting to receive the application materials. It is anticipated the first mailing will go out the first week in September, 1998. Committee members stated they will check their available resources and submit to the Department the names and addresses of home inspectors that need to receive the application. Mr. Hansen informed the Committee that a press release will be issued informing the public of the home inspector registration requirements and how to contact the Department to request an application. Richard Staff noted an article will also be published in the newsletter of the Wisconsin Realtors Association.

UPDATE ON EXAMINATION DEVELOPMENT

The Committee received a copy of the Home Inspector Jurisprudence Examination Test Specification. Duane Dorn stated that he met with a group of ten home inspectors, chosen from a list of home inspectors submitted by the Committee, to identify the necessary topics to be covered and to write examination questions for Part I of the examination which will test on the statutes and rules relating to home inspectors. Mr. Dorn noted that approximately 60 examination questions have been written, and the questions will be reviewed and evaluated on difficulty in relation to the practice of home inspection. The review date has been scheduled for August 17, 1998, and Committee members who have not written questions may attend the review if they are available.

It is anticipated that Part I of the examination will be available by early September and consist of 32 questions. At least two forms of the examination will be created. It will be administered by the Department at locations in Madison, Green Bay, Eau Claire, and Milwaukee. It has been determined to administer the examination on Saturdays, possibly one at the end of September, then weekly in October, every two weeks in November, and once in December. A concern was expressed regarding the examination locations. Dr. Barbara Showers will review the possibility of establishing a location near Rhinelander or Wausau for examination administration as well as the possibility of providing a proctor to administer the examination at the October 13, 1998, meeting of the Wisconsin Association of Home Inspectors in Milwaukee. The Committee was informed that the cost of the examination is \$43.

Dr. Showers noted that there has been no progress in the development of Part II of the examination that will test the general content necessary to do home inspections. The Department plans to submit a request for proposal to all possible examination providers and anticipates Part II to be available by January 1, 2000. Dr. Showers will contact other jurisdictions which require registration to review whether or not their examination could be utilized; however, there is a possibility these examinations may include questions relating to a jurisdiction's state law.

Dr. Showers stated that after January 1, 2001, Part I and Part II will be administered as one examination.

STANDARDS OF PRACTICE

Committee members received copies of the ASHI standards and NAHI standards and a copy of a draft of the proposed rules relating to the practice of home inspection.

Committee members reviewed the rules and discussed the following:

Page 4, RL XX Renewal of Home Inspectors Who Were Registered on or After November 1, 1989, but Before January 1, 2001.

The language should be corrected to reflect January 1, 2001, rather than January 1, 2002.

Jacquelynn Rothstein, Legal Counsel, clarified the application requirements. An applicant who applies for registration during the initial biennium, between November 1, 1998, and December 31, 2000, will be required to only take Part I of the examination before being registered. At the time of renewal, these applicants must have taken and successfully passed Part II of the examination. Ms. Rothstein noted that the intent of this Section is that applicants who received their registration during the initial biennium will be required to complete the renewal application, satisfy the continuing education requirements, take and successfully pass Part II of the examination, and pay the renewal fee of \$41 before receiving renewal of their registration. The first renewal is December 31, 2000.

Page 4 & Page 14, Continuing Education Requirements

Ms. Rothstein explained the relationship between the renewal section on page 4 and the continuing education section on page 14 of the proposed rules.

The Committee reviewed the continuing education requirements on Page 14, Subsection (2), and discussed a three-pronged approach to the continuing education requirements.

MOTION: Mark Jankowski moved, seconded by Richard Staff, to request that the rules have a three-pronged approach for satisfaction of the continuing education requirements; one prong relating to registration during the last six months of the biennium--no continuing education required; the second prong relating to registration during the first six months of the second year of the biennium--20 hours of continuing education required during that biennium; and the third prong relating to registration for the whole biennium--20 hours of continuing education per year for a total of 40 hours of continuing education required for the biennium. Motion carried unanimously.

Jacquelynn Rothstein will draft this language; however, noted it may result in comments from the Clearinghouse.

Page 5, RL XX Requirements for Renewal; Restoration of Licenses

Under Subsection (2), "license" should be changed to "registration." Under Subsection (3), "board" should be changed to "department."

Page 5, Examinations

The Committee discussed the proposed rules relating to examination provisions for home inspectors.

MOTION: Richard Staff moved, seconded by Mark Thomas, supporting the language that is drafted under the proposed rule, "Examination provisions for home inspectors who apply for registration prior to January 1, 2001," Subsection (1), and the language that is drafted under the proposed rule, "Examination provisions for home inspectors who apply for registration on or after January 1, 2001," Subsection (1). Motion carried unanimously.

Page 6

The Committee agreed to amend the language under Subsection (2) at the top of the page to: "An applicant for a certificate as a home inspector shall successfully pass a two-part examination required by the Department. Part I shall consist of Wisconsin jurisprudence. Part II shall consist of an examination, approved by the Department, relating to the practice of home inspection."

The following note will be added under Subsection (3): "An otherwise qualified applicant with a disability shall be provided with reasonable accommodation."

A concern was expressed that it is not clear in Subsection (2) that passing Part II of the examination is a requirement of renewal. Jacquelynn Rothstein will amend the language in this section to reflect that passage of Part II of the examination is tied to the renewal process.

Page 6, RL XX Examination Grade

The first sentence under the proposed rule, "Examination Grade" was amended to: (1) "To pass each examination part, each applicant shall receive a grade determined by the department to represent the minimum competence to practice."

Page 6, RL XX Examination Review

Barb Showers suggested that the proposed rule relating to Examination Review only apply to Part I of the examination, and add language to the rule indicating Part II of the examination may be reviewed if permitted by the Part II examination provider. The review time for Part I will be limited to 1 hour.

Page 7, Standards of Practice

Members discussed the ASHI standards relating to what inspectors are not required to do and whether or not language should be added to the proposed rules that state home inspectors are not required to perform engineering or other job functions requiring an occupational license. Jacquelynn Rothstein will review the language in the Wisconsin statutes which addresses persons conducting home inspections while lawfully practicing within the scope of a license, and attempt to draft language to add to the rule.

Page 7, RL XX General Requirement (2) Exceptions (d)

Members discussed the terms "shut down," "inoperable," and "normal operating controls," and whether or not "shut down" could be better defined. Perhaps "inoperable" under item "d" could be replaced with "not operating." The Committee agreed a statement should be added that indicates a home inspector does not have to activate the primary control for the water supply, electrical supply, or gas supply if these are turned off. Jacquelynn Rothstein will review and draft language for the rules.

Page 8, RL XX General Requirement (2) Exceptions (m)

It was suggested that a statement be added to item "m" as follows: "including but not limited to toxins, carcinogens, noise, contaminants in soil, water, and air." Another Committee member suggested that a statement instead be added as a separate note. Ms. Rothstein will review these possibilities.

The issue concerning whether or not language should be added to the rules that would require a home inspector to disclose the presence of hazardous substance if the home inspector gains knowledge will be discussed at a later date.

Page 9, RL XX Mechanical and Structural Components Included in a Home Inspection, (5)(a)6

It was suggested that the following be added to item (5)(a)6: "with respect to their effect on the condition of the building."

There was a suggestion that the Committee needs to establish a list of what types of defects the home inspector looks for with relationship to structural integrity and mechanical functions prior to continuing on with reviewing the standards of practice. In other words, what does the home inspector report on and observe?

APPLICATION MATERIALS

Committee members received a draft of the Application for Registration as a Home Inspector. Cletus Hansen informed the Committee that staff will have direct access to the examination scores, whether the examination is administered as a paper/pencil examination by the examination staff or whether it is administered by computer.

The Committee's inquiries relating to the questions on the application pertaining to criminal convictions were addressed and discussed. The Committee was informed that all applications within the Department include these questions.

The Committee received a document entitled, "Other Wisconsin Statutes Cited in 1997 Wisconsin Act 81," which will be included in the application materials that are sent to applicants in addition to a copy of the 1997 Wisconsin Act 81.

Mr. Hansen noted that the mailing will include the Wisconsin Act 81, the citations, the application for registration, the examination brochure that explains the examination, the Question and Answer Brochure, and the examination application form. Any information Committee members submit to the Department on courses that can be taken to prepare for the test will also be included in the mailing which is anticipated for the first week in September.

The Committee received a draft copy of the brochure entitled, "Questions and Answers Relating to the Regulation of Home Inspectors." The Committee reviewed item 4 relating to what individuals are not required to register and discussed whether or not a licensed engineer who does home inspection needs a home inspector's license. Cletus Hansen will refer this issue to Marlene Cummings for review in order to develop a policy that can be used to determine how to

respond to this question. It is the Committee's feeling that if an engineer is putting himself or herself out to be a home inspector, and advertises as being a home inspector, the engineer should be a registered home inspector.

MOTION: Richard Staff moved, seconded by Mark Jankowski, that the Department interpret 1997 Wisconsin Act 81 to require persons, who are licensed in a profession and also perform activities that fall within the scope of home inspection practice, be registered if they hold themselves out to be a home inspector. Motion carried unanimously.

Perry Manor, a guest in the audience, didn't think "lead contamination" in the brochure was a good choice of words. Mr. Manor also suggested the phrase "an individual who conducts a home inspection" be replaced with "an individual conducting an inspection in a home" in order to emphasize the difference between "home inspection" and inspections in a home." A Committee member felt that "inspect" under item 4c was too broad. Cletus Hansen noted he will review the terminology further.

ADMINISTRATIVE RULES RE: CONTINUING EDUCATION & EXAMINATIONS

Some aspects of these rules were discussed, as noted above. There was insufficient time for additional discussion.

MISCELLANEOUS CORRESPONDENCE/INFORMATION

Marlene Cummings' letter of January 28, 1998, to Representative Daniel Vrakas, with respect to the Department's position on issues relating to the duties and reporting requirements of home inspectors. Noted.

NEXT MEETING

The next meeting was scheduled for September 10, 1998, from 10:00 a.m. to 3:00 p.m.

ADJOURNMENT

By consensus, the meeting was adjourned at 3:15 p.m.

g:\minutes\hominspec\080598.doc